

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

No D 05-427

NATIONAL FINANCIAL
INSURANCE COMPANY,CONSENT ORDER
IMPOSING A FINE

An Authorized Insurer

Findings of Fact:

1. National Financial Insurance Company ("National Financial") is authorized to conduct insurance business in the State of Washington. It issues individual health insurance.
2. RCW 48.20.025(5) requires every insurer issuing or renewing individual health benefit plans in this state during the previous year to file for review by the Insurance Commissioner supporting documentation of its actual loss ratio for its individual health benefit plans offered or renewed in the state for the preceding calendar year. This documentation must be filed with the Commissioner by the last day of May each year, following the calendar year which is the subject of the documentation. The statute became effective on March 23, 2000.
3. National Financial failed to timely file its documentation for calendar years 1999, 2003, and 2004. That documentation was filed on December 14, 2000; June 25, 2004; and June 20, 2005, respectively.

Conclusions of Law:

1. National Financial's failure to timely file its calendar year loss ratios for 1999, 2003, and 2004 constituted three violations of RCW 48.20.025(5).
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

National Financial Insurance Company consents to the following, in order to resolve this matter without further administrative or legal proceedings. The Insurance Commissioner

consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. National Financial consents to entry of the foregoing Findings of Fact and Conclusions of Law. It also acknowledges its duty to comply with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to actions taken, or to be taken, by the Insurance Commissioner related to the subject matter of this order.
2. Within thirty days of the entry of this order, National Financial Insurance Company will pay to the Insurance Commissioner a fine in the amount of \$3,000 (three thousand dollars).
3. Failure to pay the fine timely and in full will constitute grounds for suspension or revocation of the certificate of authority held by National Financial in this state. It will also result in a civil action being filed by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

NATIONAL FINANCIAL INSURANCE COMPANY

Executed this 15 day of February, 2006

By: [Signature]

Printed Name: Fandra Granville

Printed Corporate Title: Vice President

Order:

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

1. National Financial Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$3,000 (three thousand dollars).
2. Failure to pay the fine timely and in full will constitute grounds for suspension or revocation of the certificate of authority held by the insurer in the State of

Washington. It will also result in a civil action being filed by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 24th day of February, 2006

MIKE KREIDLER
Insurance Commissioner

By: Marcia G. Stickler

Marcia G. Stickler
Legal Affairs Division